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61-6307

1 AUG 1961

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Inspector General Program of Resignee Interviews
(GS-12 and above), Report for Fiscal Year 1961

1. This memorandum contains recommendations submitted for DCI approval. Such recommendations are contained in paragraph 28.
2. Members of the Inspector General's Staff interviewed 69 employees, GS-12 and above, who had voluntarily submitted their resignations. There were 24 other cases not covered in this report, composed largely of individuals who resigned in the field. Selection out and retirement cases were not included in the program.
3. The resignees were given an opportunity to volunteer comments on the Agency and their relationship with it. A number had criticisms, but only a few offered suggestions, which were screened for subsequent evaluation. The interviewers relied largely on elicitation rather than detailed questioning. The purpose was twofold:
 - a. to determine the extent of any Agency deficiencies in personnel management of GS-12s and above;
 - b. to mollify any adverse reactions to the Agency and forestall possible criticism.

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4. Nearly 50% of those interviewed were resigning from the DD/I components. The resignees from the DD/P accounted for about 30% and the DD/S about 20%. The GS-12s represented about 38% of the total, GS-13s were 33%, GS-14s were 25%, and GS-15s and above about 4%.

5. The resignees averaged about eight years with the Agency. Three resigned within two years after employment, and in two of the three cases erroneous pre-employment impressions were factors.

6. About 61% of the total were between 30 and 40 years of age, about 30% were between 40 and 50, and the remaining 9% were over 50.

7. Comments by the employing component indicated favorable attitudes towards 83% of the resignees by such statements as considering the resignee a loss to the Agency or recommending re-employment if the individual applied. The departures of about 10% were viewed with no regrets, and there was sufficient question on 7% of the cases to exclude them from either category.

8. The interviewers tried to assess the attitudes of the resignees toward the Agency and toward management at the level encountered. We concluded that the comments of 58% of the resignees probably would be favorable to the Agency, and comments of 25% probably would be unfavorable. The attitude of the remaining 17% was too much in doubt to place in either category.

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We concluded that 39% were favorably impressed by management, 51% unfavorably impressed, and 10% in a doubtful category.

9. Considering only those resignees who were viewed favorably by the employing component, 19% probably will speak unfavorably of the Agency and about 49% appeared unfavorably impressed by management.

10. Those resignees who probably will speak unfavorably about the Agency were distributed among the DD/S, DD/P and DD/I in about the same ratio noted in paragraph 4. The DD/P had a lower ratio and the DD/S and DD/I higher, but the limitations of the data make the difference insignificant. In regard to impressions of management, 60% of those resignees appearing to have unfavorable impressions were from the DD/I, with 43% of the total concentrated in OSI and OSA. Only two out of ten from OSI and two out of eleven from OSA appeared to have been favorably impressed with management.

11. Five resignees were going to teach at colleges. Only one probably will speak favorably of the Agency, two probably will speak unfavorably, and the attitudes of two are in doubt. In regard to management, one appeared favorably impressed and four unfavorably impressed.

12. In view of the importance of college professors in respect to public relations and recruitment, special attention to resignees in that category is well warranted. We believe that senior staff

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members with strong backgrounds in the teaching profession might be able to influence the ultimate attitudes of those resignees by giving them attention prior to the separation date and thereby provide the Agency additional protection in its public relations. There is little possibility of changing a resignee's unfavorable impressions of local management, but emphasis on the progress of the Agency as a whole and the prospects of the future may give the resignee pause in applying any criticisms of yesterday to the Agency of tomorrow.

13. About 39% of the resignees improved their income or had firm prospects for an increase and about 19% accepted other positions at equivalent incomes. Those accepting lower income represented 12%. The remaining 30% included those who anticipated little or no income and those whose anticipated earnings were not determined.

14. While 39% said that they would increase their income in their new positions, 52% gave higher income or potential as one reason for resigning. Preference for another type of work was one factor with about 55% of the resignees. Family and health factors influenced about 20%.

15. Other government agencies employed about 31% of the resignees, and 43% of those had promise of higher starting salaries, according to unconfirmed statements of the resignees. Additional individuals expected increases after a short period of time. The

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departments and agencies employing the resignees are as follows:

<u>Agency</u>	<u>Employed at Higher Salary</u>	<u>Employed at Lower or Equivalent Salary</u>
State	2	1
Labor		3
Agriculture	1	1
Military	2	1
NSF	2	
ABC	1	1
ICA		1
NASA		1
FAA	1	
IRS		1
FTC		1
USIA		1

16. Commercial organizations attracted about 32% of the resignees, or only one more individual than government agencies.

17. Focusing on the GS-12s and GS-13s in the 30 to 40 age group, there were 16 individuals, or about 24% of all resignees, who had been with the Agency five years or more, who were well regarded by the Agency, who were not influenced by family and health problems, and who revealed specific plans to work for another organization. Six out of the 16 were increasing their incomes immediately. Other government agencies hired seven, commercial companies hired six,

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and educational or non-profit organizations hired three. Among those who gained an increase in income, only two out of the six gained more than about 10%. There were three resignees in this group from the DD/S, three from the DD/P, and ten from the DD/I. Six of the group were from OCTI.

18. The number of capable resignees who might have been promising in new Agency assignments cannot be determined. However, 30 individuals, or about 43% of all resignees, were under 40 years of age, in grades 12 and 13, and were well regarded by their components. We believe some in that group represented valuable potential in new assignments within the Agency. Saving the investment in even one of the 30 could have paid for many man-hours in analysis of reassignment possibilities. Some of the resignees indicated that at one time they had been interested in a transfer within the Agency. While a few had made an effort along those lines, others were restrained by fears of being classed as maledcontents. They did not have personal contacts which would permit them to explore quietly for another position within the Agency, but they could and did explore quietly outside the Agency.

19. The components which have problems of rotations between headquarters and field stations have learned to cope with internal transfers as a normal function. However, the Agency system does not work well in practice in facilitating transfers between

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components. In effect, it tends to protect the local management but costs the Agency able employees. On the average, the better the employee the easier it is for him to obtain other employment. Therefore, parochial views on transfers between components tend to encourage the siphoning off of the better employees for the benefit of other employers.

20. To leave the question of arranging transfers of highly qualified employees to their supervisors is to challenge human nature. We believe that the Agency can provide some relief by establishing a well-advertised employee consulting office in the Office of Personnel with direct contact with career panels and individuals who are knowledgeable of the personnel requirements of each Agency component. Such a unit could serve as a clearing house for employees seeking assignments outside of their components and for management elements seeking new talent. This is an important part but nevertheless only a part of the broad problem of employee counseling.

21. The most important aspect of the analysis of resignees in the professional category - basic motivation - is the most difficult to reach. Identification of the intangible balance of forces that motivates the individuals to seek opportunities outside the Agency falls into the realm of speculation at least, unless supported by advanced psychological testing. There were hints and leads surfaced during the interviews which provide some guidance for the

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speculation. Some of the well regarded and apparently talented resignees in referring to the organization and local management used such terms as "rigidity", "old line bureaucracy", "middle age spread", "parochial attitude", and "lack of dynamics". Some employees seemed to feel that they were treated as inanimate pieces of machinery and valued only as machines. Some became discouraged over the poor prospects of moving either upward to more responsibility and higher grade or laterally to new experiences and challenges.

22. The analysis appears to challenge the statement that government cannot compete with private industry. In the cases of the Agency resignees interviewed, 21 went to other government agencies and 22 to commercial organizations. The analysis also appears to challenge the pat explanation that employees leave for higher income. Only 27 of the 69 said that they would receive higher salaries and most of these anticipated increases were modest, while 21 said that they were accepting equal or lower pay, and 17 supplied no data. After deciding to leave the Agency, most of the resignees looked for higher income as a matter of course. Some were successful; some were not, but they resigned nevertheless.

23. Analysis of concentrations and attitudes of the resignees warrants special caution in even tentative conclusions due to the limited and imprecise nature of the data. However, we believe that it serves a useful purpose if it:

a. alerts middle management to its responsibilities in the field of employee motivation;

b. alerts higher management to the possibility of weakness in organization structure and of systems which lead to loss of valued employees in spite of the best and enlightened efforts of middle management;

c. promotes collaboration between the Office of Personnel and selected components in developing and tailoring specific recruitment programs.

24. The Agency has attracted many people who have wanted to work for something more than money. Some need a worthy cause to fulfill a personal need in their lives. There are few who do not want more money, but there are many who need more than money alone to stimulate interest and effort. Merely working to please a particular supervisor is not enough to satisfy the needs of some of those people. A number resigned for well defined and tangible reasons, but we believe that some resigned because they had lost a sense of mission. This left them only the satisfaction of their earnings. Evidently this was not enough and, unsatisfied, they searched. The interviews covered only those who had searched successfully. The number still searching is unknown.

25. In our opinion, the quality level of Agency personnel will decline if the appeal of a "greater cause" declines and the organization tries to rely on salary alone to attract and retain highly

qualified employees. We doubt that pronouncements from the highest echelon will suffice, for after an average of eight years with the Agency intelligent employees know the facts as they encounter them. The burden of maintaining a high level of motivation and spirited effort may fall primarily on middle management.

26. The resignee interviews of Fiscal Year 1961 do not prove that a dangerous trend is in process, but they do show the need for renewed alertness to attitudes of promising employees. It may be reasoned that even if a minor trend toward loss of motivation has begun, no serious damage has yet been done. Although the resignees included a number of able individuals, they probably also included a number who were especially sensitive to changing motivation factors and therefore less promising as long-term career intelligence officers. This reasoning will be little solace if the forces at work in the resignations reach deeper into the level of talented Agency employees.

27. We believe that the question of trends in motivation of able and promising employees is of sufficient importance to warrant a continuing program of analysis. Training and orientation programs for "mid-career" employees or middle management groups now under consideration should give due attention to the subject of employee motivation.

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28. It is recommended that:

a. The Deputy Director (Support) establish a program of conferences between future resignees joining educational institutions and selected senior staff employees in the interest of improving public relations.

b. The Deputy Director (Support) direct the Office of Personnel to establish a well-publicized employee counseling service directed toward facilitating transfer between major Agency components.

c. The Deputy Director (Support) direct the Office of Personnel to prepare a program for continuing analysis of employee motivation in respect to the Agency and the work.

SIGNED

Lyman B. Kirkpatrick
Inspector General

The recommendations in paragraph 28 are approved. 8 JUN 1961
Date

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Director

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